



Form ADV Part 2A Firm Brochure

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theimpactinvestors.com

This Brochure provides information about the qualifications and business practices of Impact Investors, Inc., “Impact Investors”. If clients have any questions about the contents of this Brochure, they should contact us at (888) 463-6861. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Impact Investors, Inc. is registered as an Investment Adviser with the SEC. Registration of an Investment Adviser does not imply any level of skill or training. Additional information about Impact Investors is available on the SEC’s website at www.adviserinfo.sec.gov which can be found using the firm’s identification number (CRD) 289028.



Item 2: Material Changes

Impact Investors has made the following material changes since its last annual updating amendment:

Item 4: Impact Investors' Regulatory Assets Under Management as of October 2020 are \$190,062,032. Additionally, please note, we have reorganized the description and delivery of our services at various tiers.

Items 4, 5 and 6: Please note the added disclosures pertaining to our private investment offering, High Impact Fund I.

Item 5: Please note, our fee schedules have been updated to reflect a new billing software and ability to provide discounts to households.

Item 7: Please note, we have implemented a \$500,000 minimum AUM unless certain conditions apply.

Item 8: Please note, we have revised the description of our portfolio management process to include our impact methodology.

Item 11: We have reviewed and updated our Code of Ethics.

Item 18: Please note the inclusion of PPP loan disclosure.



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Item 4: Advisory Business

Description of Advisory Firm

Impact Investors, Inc. is registered as an Investment Adviser with the SEC. We were founded in December 2014 and became registered as an investment adviser in February 2018.

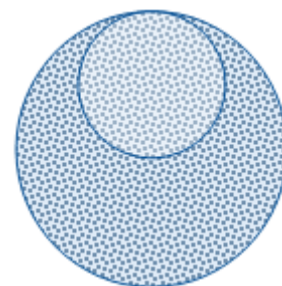
Catherine Woodman (Investment Advisor Representative since 2000) and Shane Yonston (Investment Advisor Representative since 2004) are the principal owners of Impact Investors. Impact Investors' Assets Under Management as of October 2020 are \$190,062,032.

Types of Advisory Services

We offer clients individually tailored investment portfolios using Sustainable Responsible Impact (SRI) investments. Our firm provides continuous advice to clients regarding their investments based on their individual needs. Through personal discussions with our clients, we establish their goals and objectives based on their particular circumstances, we develop a client's personal investment policy or an investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation target. During our data-gathering process, we determine the client's individual objectives, social and environmental impact preferences, time horizons, risk tolerance, and liquidity needs. We may also review and discuss a client's prior investment history, as well as family composition and background. Please see Item 8 for more information on these investment solutions and Item 5 for details on the fees pertaining to the services outlined in this brochure.

Core Investment Management: Supported by our entire portfolio management team and administrative support staff, Core Investment Management clients work with one of our firm's dedicated Financial Advisors to tailor the optimal investment strategy solution with the following services:

- Prudent Portfolio Management
- Integrated Core Impact Criteria
- Risk Tolerance & Timeframe Alignment
- Strategic Asset Allocation
- Ongoing Investment Analysis & Fiduciary Oversight
- Portfolio Income & Growth Strategies
- Transaction & Administrative Concierge Team
- 24/7 Online Account Access
- Monthly Custodial Statements
- Quarterly Performance Reports



The minimum annual cost for our Core Investment Management services is \$3,000.

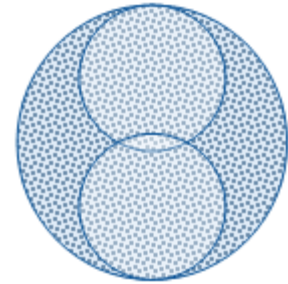
We also offer investment management services by referring clients, where appropriate, to third-party money managers ("Outside Managers") for portfolio management services. We assist clients in selecting an appropriate allocation model, completing the Outside Manager's investor profile questionnaire, interacting with the Outside Manager and reviewing their performance.



Our review process and analysis of outside managers is further discussed in Item 8 of this Form ADV Part 2A. Additionally, we will meet with the client on a periodic basis to discuss changes in their personal or financial situation, suitability, and any new or revised restrictions to be applied to the account. Fees pertaining to this service are outlined in Item 5 of this brochure.

Plus Financial Planning: For those with financial planning needs, we provide a dedicated CFP® licensed professional and utilize industry-leading software to deliver objective and comprehensive services, which may include:

- Lifetime Financial Plan Projections
- Financial Goals Assessment
- Current & Projected Cash Flows Analysis
- Scenario Probability Testing
- Retirement Planning Strategies



Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information and analysis will be considered as they impact and are impacted by the entire financial and life situation of the client. Clients investing in this service will receive a written or an electronic report, providing them with a detailed financial plan designed to achieve their stated financial goals and objectives.

The client always has the right to decide whether to act upon our recommendations. If the client elects to act on any of the recommendations, the client always has the right to affect the transactions through anyone of their choosing.

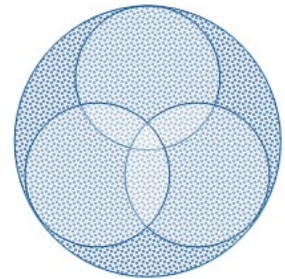
In general, the financial plan will address the items listed above, but the client and advisor will work together to select the specific areas to cover.

Clients with over five hundred thousand in assets under our management, have access to Plus Financial Planning services with no added fees. Otherwise, the minimum annual cost is \$5,000.

Total Wealth Management: For in-depth analysis and integrated financial services, we work closely with our Total Wealth Management clients' legal and tax experts while dedicating up to three in-house professionals to provide tailored solutions with seamless continuity. Total Wealth Management services include Plus Financial Planning, along with a range of solutions based on each client's specific needs, including:



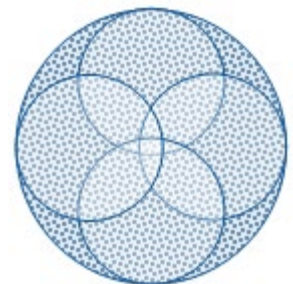
- Retirement Benefits Strategies
- Insurance Strategies
- Estate Planning Strategies
- Tax Planning Strategies
- Customized Impact Strategies
- Access to Private Impact Investments



Clients with over one million in assets under our management, have access to Total Wealth Management services without additional fees. Otherwise, the minimum annual cost is \$10,000.

Select Family Office: For families and organizations with complex wealth management needs, we commit up to four financial professionals along with outside experts as needed, to provide a concierge-level, suite of family office services. In addition to our Total Wealth Management, Select Family Office clients have access to a deeper pool of industry expertise and firm resources, including:

- Family Legacy Planning
- Quarterly Financial Statements
- Business Succession Planning
- Real Estate Analysis & Strategies
- Stock Option Analysis & Strategies
- Mortgage & Debt Negotiations
- Customized Solutions



Clients with over five million in assets under our management have access to our Select Family Office services. Otherwise, the minimum annual cost is \$30,000.

Private Fund Advisory Services: Under an Investment Advisory Agreement between the High Impact Fund I, LP Fund (the “Partnership” or “Fund” and Impact Investors, LLC (the “Investment Manager”), Impact Investors was appointed Investment Manager to act as an investment advisor to the High Impact Fund I in 2020.

Investment Manager is responsible for the management, operation, and control of the investment and trading activities of the Fund. Please see the Confidential Private Offering Memorandum of the fund for a list of investments in the Fund.

Business Succession Planning: We provide consulting services for clients who currently operate their own business and are planning for an exit from their current business. Under this type of engagement, we work with clients to assess current situation, identify objectives, and develop a plan aimed at achieving goals.

Estate Planning: This usually includes an analysis of client’s exposure to estate taxes and client’s current estate plan, which may include whether client has a will, powers of attorney, trusts and other related documents. Our advice also typically includes ways for clients to



minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts.

We always recommend that clients consult with a qualified attorney when initiating, updating, or completing estate planning activities. We may provide clients with contact information for attorneys who specialize in estate planning when clients wish to hire an attorney for such purposes. From time-to-time, we will participate in meetings or phone calls between clients and their attorney with client's approval or request.

Financial Goals: We will help clients identify financial goals and develop a plan to reach them. We will identify what clients plan to accomplish, what resources they will need to make it happen, how much time they will need to reach the goal, and how much they should budget for their goals.

Insurance & Risk Management: We review our clients existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile. A risk management review includes an analysis of clients' exposure to major risks that could have a significantly adverse effect on their financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance ("self-insuring").

Investment Analysis: This may involve developing an asset allocation strategy to meet clients' financial goals, social and environmental impact criteria, and risk tolerance, providing information on investment vehicles and strategies, reviewing employee stock options, as well as assisting clients in establishing their own investment account at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.

Retirement Planning: Our retirement planning services typically include projections of clients' likelihood of achieving their financial goals, focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (e.g., working longer, saving more, spending less, etc).

If clients are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during retirement years.

Tax Planning Strategies: Advice may include ways to minimize current and future income taxes as a part of clients' overall financial planning picture. For example, we may make recommendations on Itemized Deductions, Roth Conversions, Charitable Remainder Trusts, and generally which type of account(s) or specific investments should be owned based in part on their "tax efficiency". Consideration is always given to the possibility of future changes to



federal, state or local tax laws and rates that may affect their situation.

We recommend that clients consult with a qualified tax professional before initiating any tax planning strategy, and we may provide clients with contact information for accountants or attorneys who specialize in this area if clients wish to hire someone for such purposes. We will participate in meetings or phone calls between our clients and their tax professional with client approval.

Retirement Plan Consultation Services: With respect to services provided to a plan sponsor, we may conduct:

- Due diligence on existing, potential, and selected service providers
- Plan design and asset-class menu recommendations
- Investment Policy Statement development and implementation
- Trustee education and reviews as appropriate
- Investment monitoring reports
- Participant education and model portfolio generation

We will gather key information from the sponsor about its current or intended retirement plan. We will provide written recommendations and deliverables as specified in the proposal.

Retirement Plan Management Services: Our retirement plan management service (a.k.a. investment advisory services) may recommend replacement of some or all the investments, the record keeper, the third-party administrator (TPA), and/or the custodian. Our recommendations will depend on a combination of the plan sponsor's goals and objectives, cost and service considerations.

Client Tailored Services and Client Imposed Restrictions

We offer the same suite of services to all our clients. However, in some cases we may provide limited scope customized financial planning services at our discretion. Specific client financial plans and their implementation are dependent upon a client Investment Policy Statement, which outlines each client's time horizon and risk tolerance levels, and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets. In addition, models provided via third-party money managers may be customized to meet clients' specifications.

Wrap Fee Programs

We sponsor and participate in a wrap fee program. Please see our Appendix 1 regarding our wrap program information.

CCR Section 260.235.2 Disclosure

For clients who receive our Financial Planning services, we must state when a conflict exists between the interests of our firm and the interests of our client. The client is under no obligation to act upon our recommendation and there is no obligation to affect the transaction(s) through our firm.

Item 5: Fees and Compensation

Please note, unless a client has received the firm's disclosure brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the client within five (5) business days of signing the contract without incurring any advisory fees and without penalty. How we are paid depends on the type of advisory service we are performing. Please review the fee and compensation information below.

Investment Management Services

Our standard advisory fee is based on the market value of the assets under management at the end of the last trading day of the quarter and is calculated as follows:

Advisory Fee Tier Levels	Aggregate Household Managed Account Value	Annual Advisory Fee for Individual Bonds	Annual Advisory Fee for Managed Funds & Stock
On the First	\$500,000	0.80%	1.20%
On the Next	\$1,000,000	0.70%	1.10%
On the Next	\$2,000,000	0.60%	1.00%
On the Next	\$5,000,000	0.50%	0.90%
On the Next	\$12,000,000	0.40%	0.80%
On the Next	\$24,500,000	0.30%	0.70%
Above	\$45,000,000	Negotiable	Negotiable

The annual fees may be negotiable in certain circumstances and are pro-rated and paid in arrears on a quarterly basis. The advisory fee is a blended fee and is calculated by subtotaling the asset type in the account, and assessing the percentage rates using the predefined fee rates for each asset type as shown in the above chart, resulting in a combined weighted fee. For example, an account valued at \$3,000,000 with half in Equities and half in Individual Bonds would pay an effective fee of \$17,000 (0.57%) on the Equities and \$11,000 (0.37%) on the Individual Bonds, for a total effective fee of \$28,000 (0.9%) on the whole account per annum. In this example, the quarterly fee would be determined by the following calculation: $((\$500,000 \times 1.20\%) + (\$1,000,000 \times 1.10\%) + (((\$500,000 \times 0.80\%) + (\$1,000,000 \times 0.70\%)))) \div 4 = \$7,000.00$. No increase in the annual fee shall be effective without agreement from the client by signing a new agreement or amendment to their current advisory agreement.

Clients within the same family may have their accounts held privately but house-held together for purposes of billing. For example, if a parent and child are both clients with Impact Investors, invested in a mix of Individual Bonds and Equities all being managed by our firm, we calculate the quarterly billing amount by aggregating the total of each asset type in all of their accounts to calculate the effective rate for the entire household, and then bill each account at that rate.



To determine the value of the account at each billing cycle, we utilize an Average Daily Balance calculation, adding each daily billable balance, and dividing by the total number of days since the previous billing. To determine the rate at which to charge we use the Actual/Actual methodology, totaling the exact number of days in the billing period, divided by 365, and then multiplying that amount by the Annual Ratio. For example: a 1% Per Annum billing rate charged for a 90-day period would be calculated as follows: $90 / 365 * 1\% = .246\%$ effective rate.

Advisory fees are directly debited from client accounts, or the client may choose to pay by check in certain rare circumstances. Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice at least 15 calendar days in advance. Since fees are paid in arrears, no rebate will be needed upon termination of the account. We do not bill on cash.

Investment Management via Third-party Managers

Our fees for this service depend on which Outside Manager is used for the client's account. For accounts where Impact Investors provides non-discretionary advice and directs clients to Outside Managers, the Outside Manager will debit the client's account for the advisory fee and will remit Impact Investors' fee to Impact Investors. The fees will not exceed any limit imposed by any regulatory agency. Advisory fees for the selected third-party manager will be defined in the engagement agreement with the third-party investment manager and Impact Investors. Please note that the total fee charged to the client will not exceed 3%.

Orion Portfolio Solutions (OPS): Client accounts managed on the OPS platform are subject to the following maximum fees. For actual account fees, which may be lower, please review the Impact Investors and OPS service agreements. Additionally, clients pay any underlying mutual fund and/or exchange-traded fund (ETF) expense ratios, which vary by strategist.

- Impact Investors – 1.00%
- Orion Portfolio Solutions – 0.45% + \$25
- Model Strategist – 0.10%

Social Equity Group (SEG): Client accounts managed by SEG are subject to the following maximum fees. For actual account fees, which may be lower, please review the Impact Investors and SEG service agreements. Additionally, clients pay transaction fees for trades.

- Impact Investors – 0.75%
- Social Equity Group – 0.75%

First Affirmative Financial Network (FAFN): Client accounts managed by FAFN are subject to the following maximum fees. For actual account fees, which may be lower, please review the Impact Investors and FAFN service agreements. Additionally, clients pay any underlying mutual fund and/or exchange-traded fund (ETF) expense ratios.

- Impact Investors – 1.00%
- First Affirmative Financial Network – 0.95%



Van Hulzen: Client accounts managed by Van Hulzen are subject to the following maximum fees. For actual account fees, which may be lower, please review the Impact Investors service agreement. Additionally, clients pay transaction fees for trades and pay any underlying mutual fund and/or exchange-traded fund (ETF) expense ratios.

- Impact Investors – 0.60%
- Van Hulzen – 0.60%

Fixed Fee Financial Planning

Financial Planning is offered on a fixed fee basis. The fixed fee will be agreed upon before the start of any work. The fixed fee can range between \$1,000 and \$100,000. The fee is negotiable. If a fixed fee program is chosen, half of the fee is due at the beginning of process and the remainder is due at completion of work, however, Impact Investors will not bill an amount above \$500.00 more than 6 months in advance of the service represented by the fee. In the event of early termination, the client will be billed for the hours worked at a rate of \$300 per hour. If the initial deposit is greater than the amount billed, then the client will be refunded the difference. If the initial deposit is less, then the client will be billed the difference.

Private Fund Advisory Service Fees

Refer to the series supplement to the Confidential Private Offering Memorandum of the High Impact Fund I, LP for a complete description of the fees to be charged.

Ongoing Financial Planning

Ongoing Financial Planning consists of an initial planning fee ranging between \$599 and \$2999 and ongoing fee that is paid monthly, in arrears, at the rate of \$99.00 - \$999.00 per month. The initial planning fee covers review and feedback of financial information, planning meetings and/or calls, and the development of an initial financial plan. The fee may be negotiable in certain cases. This service may be terminated with 30 days' notice. Since fees are paid in arrears, no rebate will be needed upon termination of the planning relationship.

Employer-Sponsored Retirement Plan Fees (not applicable to non-organization/company clients)

Asset-Based Fees: An annualized asset-based fee will be assessed to employer-sponsored retirement plans for consultation services to the retirement plan. Typically, the plan's record-keeper collects this fee and sends it to our firm. Some employers prefer to be invoiced directly, which our firm will do upon request. Fees for such services generally range up to .75% of the assets in the plan, depending upon the retirement plan providers or program selected, amount of assets within the plan and the number of plan participants. Our firm may receive up to 100% of the total fee for its ongoing consultation, plan participant services, and our continued coordination with the third-party manager(s). Advisory fees will be defined in the engagement agreement with our firm once retirement plan service provider selection has been completed.

Fixed Fees: Each project is unique and customized for the plan sponsor, therefore the fixed fee



will be based on the complexity of the engagement, types of services involved as well as level of detail that may be necessary. The fee will also take into consideration factors such as the amount of assets in the plan and the number of plan participants. Due to these varied and yet unknown factors, the fee will range from \$500 for smaller plans, to as much as \$10,000 for ongoing, in-depth engagements.

Compensation Methodology: Retirement plans are typically assessed fees based on a percent of the amount of assets within the plan, with the percentage declining as the plan balance increases along with consideration for the number of participants in a plan. For a given size plan, generally the greater the number of participants the smaller the reduction in the percentage charged. In the case of small businesses and non-profit organizations, the fee is typically based on the balance of the assets under advisement by our firm. At times retirement plan sponsors prefer to negotiate a fixed fee and this fee will vary with the size of the assets in the plan. This is often the case where the sponsor pays for our fee rather than having plan participants pay such services.

For all of our engagements, the services that are to be provided and the anticipated fee will be detailed in our agreement. We believe our fees are reasonable in light of the services to be provided, as well as the experience and expertise of the assigned financial planner. Our fees may be negotiable at the discretion of our firm principal. Lower fees for comparable services may be available from other sources.

Retirement Plan Payment of Fees: The plan trustee will be required to execute a letter to the plan record keeper directing the record keeper to charge plan participants the asset-based fee or fixed fee on a pro-rated basis on each participant's assets and to forward those funds to our firm after the end of each calendar quarter. Should a third-party investment manager be engaged, the third-party investment manager will remit our portion of the deducted fee directly to our firm.

In jurisdictions where required, an invoice of the fees to be deducted from accounts will be provided by our firm to the plan trustee or administrator and it will include the total fee assessed as well as the covered time period, calculation formula utilized, and assets under management on which the fee has been based. Account holders are responsible for verifying the accuracy of the fee calculation; the custodian does not verify fee accuracy.

Other Types of Fees and Expenses

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses that may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual fund and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to our fee, and we shall not receive any portion of these commissions, fees, and costs.



Item 12 further describes the factors we consider in recommending broker-dealers for client's transactions and determining the reasonableness of the costs.

CCR Section 260.238(j) Disclosure

Please note, lower fees for comparable services may be available from other sources.

Item 6: Performance-Based Fees and Side-By-Side Management

Refer to the series supplement to the Confidential Private Offering Memorandum of the High Impact Fund I, LP for a complete description of any performance fees to be charged. Our investment professionals simultaneously manage multiple types of portfolios (including institutional separate account and the Private Fund) according to the same or a similar investment strategy (i.e., side-by-side management). The simultaneous management of these different investment products creates certain conflicts of interest, as the fees for the management of certain types of products are higher than others. When managing the assets of such accounts, Impact Investors has an affirmative duty to treat all such accounts fairly and equitably over time and maintain a series of controls in furtherance of this goal.

Item 7: Types of Clients

We provide investment management and financial planning services to individuals, families and family offices, trusts, pensions and retirement benefit plans, non-profit organizations, and foundations that wish to align their investments with their social and environmental values. We help clients implement prudent strategies to achieve their financial and impact objectives.

Our minimum requirement for investment management is \$500,000 per household or organization and we reserve the right to waive this minimum if certain conditions apply.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

Our portfolio management philosophy stems from a dual mandate to achieve our client's financial goals, as well as their social and environmental impact objectives. To satisfy this directive, we have developed an investment strategy that is unique in our industry. We apply a modified Risk Parity model with a prudent, fiduciary process, to seek competitive financial returns along with real transformative impact.

Risk Parity Impact (RPI): Risk Parity has been an industry-leading portfolio management



methodology for many years, widely credited for its track record of lowering volatility during turbulent markets*. Our firm has modified the classic Risk Parity model by applying a socially responsible investment philosophy throughout the process. As a result, our models emphasize downside risk protection by diversifying volatility across multiple asset classes, while staying true to our namesake.

Our goal with the Risk Parity approach, is to truly diversify our investments, considering each asset's volatility and correlation to one another, in order to create a portfolio that can weather any market environment, regardless of an expanding or contracting business cycle, and during high or low inflationary periods. From this process, we have developed six basic models, ranging in their weight in equities, fixed income, and alternative assets, in order to meet each of our client's investment risk tolerance and time horizon.

Portfolio Management Process: Our investment committee meets quarterly to monitor our performance and strategy in light of the current market environment. We follow a disciplined process that continuously seeks to improve our model allocations along with each investment within them. Ultimately, we manage our client portfolios in a thoughtful, prudent manner based on their core impact criteria, using good old-fashioned fundamental analysis, and low-cost passive investment strategies.

We consider our clients' social and environmental priorities and tailor their investments according to their criteria applied across all asset classes within the portfolio, allocating capital only to investments that score in the top of their peer group in each area. This process combines both negative and positive screens with a best-in-class approach.

Furthermore, we perform fundamental analysis on individual companies, funds, and industry groups, by examining their financial statements, details regarding the issuers product line, the experience, and expertise of the management, and the outlook for the industry. We use the resulting data to measure the true value of the asset compared to the current market value. One risk of fundamental analysis that we manage for, is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings. If asset prices adjust rapidly to new information, for example, utilizing fundamental analysis may not result in accurate valuations and so we integrate additional methods.

As an overall portfolio construction technique, we employ passive investment management across asset class categories where we do not see enough added value for the costs of a more active approach. We weight asset class allocations to achieve a desired relationship between their correlation, volatility and expected returns. Investments like index funds or Exchange Traded Funds that can passively capture the returns of a desired asset class, are placed in the portfolio where available and prudent. Passive investment management is characterized by low portfolio expenses, minimal trading costs, and relative tax efficiency.

Real Impact: Across all asset classes in every account under our management, we integrate our client's intentions by adhering to their core values, investing responsibly, and seeking out real ways to make profits along with real impact.



Core Impact Criteria: Our clients have an opportunity to express their investment intentions by selecting the core criteria that best reflect their priorities:

Fossil Fuel Free: No investments with any revenue or products generated/sold by or to the oil and gas industry. Seek investments in the clean energy sector.

Women's Equity: No investments in organizations with all-male boards. Seek investments where women have ownership and serve in decision making positions.

Economic Justice: No investments in companies with egregiously overpaid CEOs, replace big banks with regional banks. Seek investments in companies scoring high on median worker pay and sectors that help support a healthy middle-class.

Racial Justice: No prisons, no migrant border detention, no predatory lending. Seek investments in affordable housing, black-owned businesses, best-in-class education, and companies with formal diversity commitments.

Socially Responsible: No weapons or military contractors, no tobacco or gambling, no social media or junk food, no mining, no Palestine-Israel conflict. Seek investments in mission driven enterprises.

Shareholder Engagement: As responsible investors, we support shareholder campaigns that seek to influence corporate policies with an aim to improve both the financial well-being of the investment, as well as its overall impact in the world. The following themes generally represent current campaigns we support:

- Climate Change
- Waste & Pollution
- Labor Force & Economic Justice
- Consumer Health & Safety
- Gender & Diversity
- Education & Ethical Media

By leveraging shareholder advances that competitor companies have adopted, our strategy seeks to create sea changes within industries where healthier standards can be implemented across the market to the benefit of all stakeholders. Please contact us for samples of past resolution letters to give you an idea of how these transformative engagements can take shape.

High Impact Direct Investments: We mobilize private capital to address some of the world's most pressing social and environmental challenges, while seeking financial returns for our investors. We believe that risks are reduced, and opportunities increase when financial returns are adjusted to account for environmental and social impacts. Companies are more resilient when they understand their impact on all stakeholders instead of pursuing only a short-term, extractive financial return to shareholders.

We hold the vision of a society that is sustainable and humane, and we use the following principles to facilitate where we believe our private capital will best be allocated:



- We operate with the values of honesty, transparency, wisdom, and courage.
- We seek positive financial returns on investments aligned with one or more environmental and/or social justice impact themes, including but not limited to sustainable agriculture, addressing climate issues, racial and gender equity, reducing the wealth gap and supporting education.
- Preference is given to investments in organizations that may have difficulty accessing capital, as opposed to well-established companies and industries that have reliable sources of funding.
- Emphasis is placed on the potential impact capacity of the underlying investment.
- We are open to financially prudent investments in non-profits, co-ops, and other entities with innovative ownership structures that seek to benefit all stakeholders.

Material Risks Involved

All investing strategies we offer involve risk and may result in a loss of some or all of Client's original investment. Many of these risks apply equally to stocks, bonds, commodities and any other investment or security. Material risks associated with our investment strategies are listed below.

Market Risk: Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

Strategy Risk: The Adviser's investment strategies and/or investment techniques may not work as intended.

Small and Medium Cap Company Risk: Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the client's portfolio.

Turnover Risk: At times, the strategy may have a portfolio turnover rate that is higher than other strategies. A high portfolio turnover would result in correspondingly greater brokerage commission expenses and may result in the distribution of additional capital gains for tax purposes. These factors may negatively affect the account's performance.

Limited markets: Certain ETFs held in portfolios may be less liquid (harder to sell or buy) and their prices may at times be more volatile than at other times. Under certain market conditions we may be unable to sell or liquidate investments at prices we consider reasonable or favorable, or find buyers at any price.

Concentration Risk: Certain investment strategies focus on particular asset classes, industries, sectors or types of investment. From time to time these strategies may be subject to greater risks of adverse developments in such areas of focus than a strategy that is more broadly diversified across a wider variety of investments.



Interest Rate Risk: Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

Legal or Legislative Risk: Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.

Inflation: Inflation may erode the buying-power of Client's investment portfolio, even if the dollar value of Client's investments remains the same.

Risks Associated with Securities

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

Common stocks may go up and down in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring could lose all value. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.

Corporate Bonds are debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero-coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on such factors as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.

Municipal Bonds are debt obligations generally issued to obtain funds for various public purposes, including the construction of public facilities. Municipal bonds pay a lower rate of return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative after-tax return to the after-tax return of other bonds, depending on the investor's tax bracket. Investing in municipal bonds carries the same general risks as investing in bonds in general. Those risks include interest rate risk, reinvestment risk, inflation risk, market risk, call or redemption risk, credit risk, liquidity and valuation risk.

Exchange Traded Funds prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying benchmarks as expected.

Investment Companies Risk: When a client invests in open end mutual funds or ETFs, the



client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, many of which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which clients invest. However, neither Impact Investors, nor any of its recommended third-party managers, utilize highly leveraged ETF.

Item 9: Disciplinary Information

Criminal or Civil Actions

Impact Investors and its management have not been involved in any criminal or civil action.

Administrative Enforcement Proceedings

Impact Investors and its management have not been involved in administrative enforcement proceedings.

Self-Regulatory Organization Enforcement Proceedings

Impact Investors and its management have not been involved in legal or disciplinary events that are material to a client's or prospective client's evaluation of Impact Investors or the integrity of its management.

Item 10: Other Financial Industry Activities and Affiliations

No Impact Investors' employee is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

No Impact Investors employee is registered, or have an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor. Impact Investors does not have any related parties. As a result, we do not have a relationship with any related parties.

Catherine Woodman is licensed to sell life insurance and Shane Yonston is licensed to sell life, health, long term care insurance and fixed annuities. They may engage in product sales with



our clients, for which they will receive additional compensation. Any commissions received through life or health insurance sales do not offset advisory fees the client may pay for advisory services under Impact Investors. The very nature of these commissions creates a financial incentive to recommend insurance products. However, Ms. Woodman and Mr. Yonston are required to strictly adhere to the firm's code of ethics, including a fiduciary standard with respect to all advice provided to Impact Investors' clients. In addition, clients always retain the right to act (or not) on insurance recommendations and, if they do, to select the insurance representative they will use.

Recommendations or Selections of Other Investment Advisers

In some cases, Impact Investors may refer clients to other investment advisers to manage their accounts. In such circumstances, Impact Investors will share in the total account asset management fee as compensation for managing the relationship with the client, reviewing the account regularly, providing administrative support and periodic, objective, performance reviews. This situation creates a conflict of interest. However, when referring clients to another investment adviser, the client's best interest and suitability of the other investment advisers will be the main determining factors of Impact Investors. This relationship is disclosed to the client at the commencement of the advisory relationship. These compensation arrangements present a conflict of interest because Impact Investors has a financial incentive to recommend the services of certain investment advisers over other investment advisers. At all times, clients maintain the right to decide which managers to use, if any. Additionally, Impact Investors will only recommend another investment adviser who is properly licensed or registered as an investment adviser.

Disclosure of Material Conflicts

All material conflicts of interest under CCR Section 260.238(k) are disclosed regarding Impact Investors, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

As a fiduciary, our firm and its associates have a duty of utmost good faith to act solely in the best interests of each client. Our clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis for all our dealings.

Code of Ethics Description

This code does not attempt to identify all possible conflicts of interest, and literal compliance

with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to advisory clients. A summary of the Code of Ethics' Principles is outlined below.

- **Integrity:** We shall offer and provide professional services with integrity.
- **Objectivity:** We shall be objective in providing professional services to clients.
- **Competence:** We shall provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which we are engaged.
- **Fairness:** We shall perform professional services in a manner that is fair and reasonable to clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- **Confidentiality:** We shall not disclose confidential client information without the specific consent of the client unless in response to proper legal process, or as required by law.
- **Professionalism:** Our conduct in all matter shall reflect credit of the profession.
- **Diligence:** We shall act diligently in providing professional services.

We periodically review and amend our Code of Ethics to ensure that it remains current, and we require all firm access persons to attest to their understanding of and adherence to the Code of Ethics at least annually. Our firm will provide of copy of its Code of Ethics to any client or prospective client upon request.

Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest

Neither our firm, its associates or any related person is authorized to recommend to a client, or effect a transaction for a client, involving any security in which our firm or a related person has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, etc.

Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

Our firm and its "related persons" may buy or sell securities similar to, or different from, those we recommend to clients for their accounts. Our policy is designed to assure that the personal securities transactions, activities and interests of the employees of our firm will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. To reduce or eliminate certain conflicts of interest involving the firm or personal trading, our policy may require that we restrict or prohibit associates' transactions in specific reportable securities transactions. Any exceptions or trading pre-clearance must be approved by the firm principal in advance of the transaction in an account, and we maintain the required personal securities transaction records per regulation.



Trading Securities at/Around the Same Time as Client's Securities

From time to time, our firm or its “related persons” may buy or sell securities for themselves at or around the same time as clients. Our firm or its “related persons” will not trade non-mutual fund, non-ETF securities (like individual stocks or bonds) prior to trading the same security for clients on the same day.

Item 12: Brokerage Practices

Factors Used to Select Custodians and/or Broker-Dealers

Specific custodian recommendations are made to client based on their need for such services. We recommend custodians based on the reputation and services provided by the firm and on their availability of Sustainable, Responsible, Impact investment options as well as the portfolio management tools and costs of doing business. Portfolio management tools and other services are offered by custodians to Impact Investors for using them as a provider and can create an incentive for Impact Investors to select one custodian over another. Tools and services offered are more comprehensive than what a custodian's client would receive if only opening single personal account. However, the tools and services offered to Impact Investors do not vary based on the number of trades placed or on the assets held at selected custodians.

- **Research and Other Soft-Dollar Benefits:** We currently do not receive soft dollar benefits.
- **Brokerage for Client Referrals:** We receive no referrals from a broker-dealer or third-party in exchange for using that broker-dealer or third-party.
- **Clients Directing Brokerage:** For investment management accounts, we do not allow clients to direct us to use a specific broker-dealer to execute transactions.

Aggregating (Block) Trading for Multiple Client Accounts

Outside Managers used by Impact Investors may block client trades at their discretion. Their specific practices are further discussed in their ADV Part 2A, Item 12.

Generally, we combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as “block trading”). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion, regarding particular circumstances and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. Accounts owned by our firm or persons associated with our firm may participate in block trading with our clients' accounts; however, they will not be given preferential treatment.

Item 13: Review of Accounts



Client accounts with the Investment Management Service will be reviewed regularly on a quarterly basis by Shane Yonston, Principal Advisor and CCO. The account is reviewed with regards to the client's investment policies and risk tolerance levels. Events that may trigger a special review would be unusual performance, addition or deletions of client-imposed restrictions, excessive draw-down, volatility in performance, or buy and sell decisions from the firm or per client's needs. Impact Investors will meet with clients annually, in person or by other means, to review clients' profile, personal situation and investment needs. Clients will receive trade confirmations from the custodian(s) for each transaction in their accounts as well as monthly or quarterly statements and annual tax reporting statements from their custodian showing all activity in the accounts, such as receipt of dividends and interest. Impact Investors will provide written reports to Investment Management clients on a quarterly basis. We urge clients to compare these reports against the account statements they receive from their custodian and notify us promptly of any discrepancies.

Item 14: Client Referrals and Other Compensation

Per our arrangements with third-party managers, we receive an advisory fee that is collected by selected third-party managers as a part of a total client fee. Other than this compensation, we do not receive any economic benefit, directly or indirectly from any third-party for advice rendered to our clients. Nor do we directly or indirectly compensate any person who is not advisory personnel for client referrals.

Item 15: Custody

Impact Investors does not accept physical custody of client funds or securities. Clients should receive at least quarterly statements from the custodian that holds and maintains client's investment assets. We urge clients to carefully review such statements and compare such official custodial records to reports provided by Impact investors. Our reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

For client account in which Impact Investors directly debits their advisory fee:

- Impact Investors will send a copy of its invoice to the custodian at the same time that it sends the client a copy.
- The custodian will send at least quarterly statements to the client showing all disbursements for the account, including the amount of the advisory fee.
- The client will provide written authorization instructing the custodian to deduct the fee directly from accounts held by the custodian and pay the fee to Impact Investors.



Item 16: Investment Discretion

For accounts where our clients are using Outside Managers for investment management, Outside Managers will maintain investment discretion, over client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. For those client accounts where we provide investment management services, we maintain discretion over client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. Investment discretion is explained to clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, the client will execute a Limited Power of Attorney, which will grant either the Outside Manager or our firm discretion over the account. Additionally, the discretionary relationship will be outlined in the advisory contract and signed by the client. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Item 17: Voting Client Securities

Impact Investors does not vote Client proxies. Therefore, Clients maintain exclusive responsibility for: (1) voting proxies, and (2) acting on corporate actions pertaining to the Client's investment assets. The Client shall instruct the Client's qualified custodian to forward to the Client copies of all proxies and shareholder communications relating to the Client's investment assets. If the client would like our opinion on a particular proxy vote, they may contact us to arrange such service to be provided.

In most cases, clients will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to clients by mail, unless authorized to send electronically.

Item 18: Financial Information

In 2020, the Adviser applied to participate in the Payment Protection Program (PPP), which was added to the Small Business Act as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act). The firm received funding through the Program whereby if certain conditions are met as established by the Program, the Adviser's indebtedness may be partially or entirely forgiven. The Adviser does not consider this an ongoing form of income. The Adviser's participation in the Program does not imply, directly or indirectly, that the Adviser is financially insolvent or is otherwise financially compromised.

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients, and we have not been the subject of a bankruptcy proceeding. We do not have custody of client funds or securities or require or solicit prepayment of more than \$1,200 in fees per client six months in advance.



Form ADV Part 2A Firm Brochure

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